

UZBEKISTAN

Capital: Tashkent

GDP per capita (PPP): \$2,400 (2000 est.)

Population: 25,155,064 (July 2001 est.)

Foreign Direct Investment: \$73,000,000

Inflation: 40% (2000 est.)

Unemployment: 10% (1999 est.)
plus another 20% underemployed

OVERALL RATING: 4.6

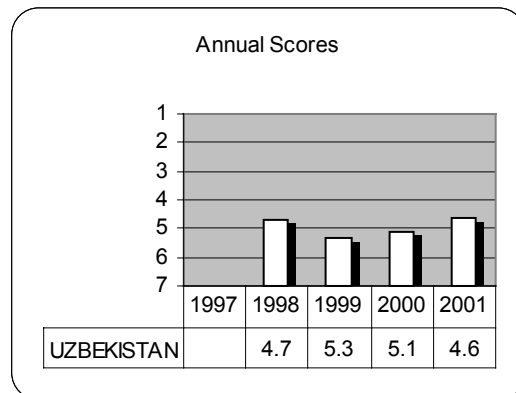
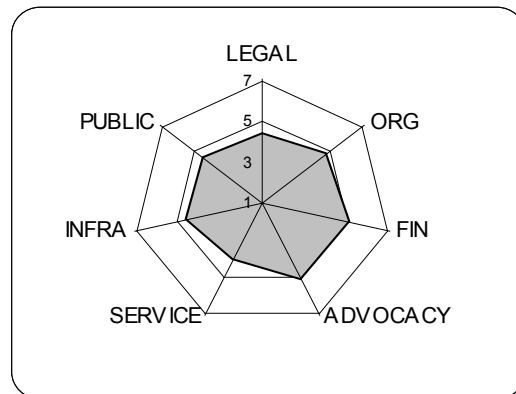
The ability of non-governmental organizations to promote their activities throughout the country improved modestly in 2001. The absence of truly sustainable organizations and influx of donor grants, however, led to friction and increased competition among civic organizations.

During 2001, the Government of Uzbekistan made a concerted effort to educate regional Ministry of Justice (MOJ) officials about appropriate implementation of the progressive 1999 NGO Law. Despite this effort, many NGOs and regional MOJ officials remain woefully ignorant about this new legislation.

During the past year, civic organizations have increased their capacity to work effectively in rural areas. For the first time truly rural NGOs have been established to tackle problems in neglected and isolated regions. NGO leaders note that the ability of organizations to operate in rural areas is considerably easier than in Tashkent, where there is greater political pressure and government monitoring of NGO activities. NGOs outside of the capital are freer of government control and have more developed constituencies.

That said, organizations that are active in politically sensitive issues are not permitted to register or function effectively. Human rights organizations, such as the Human Rights Society of Uzbekistan (HRSU), have been denied registration for the past five years. The Union of International Press Correspondents and the Association of Independent Journalists have also been denied registration.

Elements within the government still wish to control or “coordinate” NGO activity, although some progress in understanding the role of NGOs in democratic societies has been made. Some less educated groups within the government, who view foreign financial support for Uzbekistani NGOs with suspicion, often suspect NGOs of working for



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outside intelligence agencies. Earlier in 2001, the national Women's Committee (a Soviet-era, quasi-governmental holdover) attempted to compel women's NGOs to join a national coalition controlled by the government. Most women's NGOs saw this artificial coalition as another government attempt to tacitly control their activities, and refused to participate.

Due to the limited nature of macro-level democratic reform in Uzbekistan, NGOs have a limited ability to influence policy or lobby for or against government decisions. In the past year, however, NGOs have taken a more active role working with the "Parliamentary Committee for Democratic Institutions and NGOs" on the creation and implementation of association legislation.

LEGAL ENVIRONMENT: 4.4

The 1999 NGO Law brought many positive changes to Uzbekistan's third sector. It allows individuals to establish new types of non-commercial organizations. The law establishes a framework of simple registration procedures for foundations and civic organizations, but subsequent implementing legislation to enact these reforms has not yet been passed. Many NGO and international donor organizations have noted the ease with which many civic organizations are now able to register.

Tax breaks for NGOs exist, but are limited to certain activities of women's and environmental organizations. These limited tax breaks are small and insufficient to contribute to the sector's sustainability. The government often considers grants from international do-

nors as profit, and often attempts to tax these funds. GONGOs are exempt from taxes, but grassroots NGOs created by local civic initiative are not. Fear of taxation and harassment by the tax police are permanent sources of stress for service provision NGOs.

Despite the changes introduced by 1999 NGO Law, the ability of NGOs to register ultimately depends on geographic location, or the mission of the organization. For many years, the local government in the region of Qashqadaryo arbitrarily refused to register citizen initiatives and created barriers to their work. Similarly, NGOs working in the fields of human rights or media advocacy have great difficulty successfully registering.

ORGANIZATIONAL CAPACITY: 4.8

Few organizationally sophisticated NGOs exist in Uzbekistan. The missions and goals of local organizations are generally based on the objectives and missions of the international donor community. NGOs are, however, working more effectively, especially with the assistance of an expanding nation-wide network of civil society support centers that emerged this year.

The organizational structures of many civic organizations remain weak. Most NGO leaders do not understand the concept of a Board of Directors, and are not interested in understanding the separation of authorities between a Board and staff, or differences in their roles within the organization. Most NGOs continue to be founded and led

by dynamic personalities who consider the NGO their own personal domain. Democratic principles are rarely reflected in the leadership or management of civic organizations. The level of paid

staff in leading NGOs is adequate, but volunteers are not recruited in sufficient numbers, nor engaged effectively in activities.

FINANCIAL VIABILITY: 5.1

The international donor community is the largest source of support for community based organizations. Recently, private business interests have begun providing resources and materials for the completion of community projects, but there is little if any direct financial contribution coming to NGOs from the private sector.

The lack of convertibility of Uzbekistani currency is a serious constraint to the financial viability of NGOs. It inhibits organizations from maintaining their finan-

cial records in a transparent manner, because most foreign donor grants are denominated in dollars, even though the practice is technically illegal.

In accordance with the 1999 NGO Law, organizations can be contracted by government or local business for services. Unfortunately such contracts are virtually nonexistent due largely to weaknesses within the government procurement system.

ADVOCACY: 5.1

There is virtually no NGO advocacy in Tashkent, due to the limited political space allowed for open policy dialogue at a national level. Most policy advocacy is limited to the local level. The government is still wary of NGOs and views them with suspicion. Due to a lack of both donor and local resources, extreme competition among NGOs exists, hampering their ability coordinate their ef-

forts into a single voice on issues vital to the interests of their constituents.

A number of NGOs are now working to form a coalition, to work together to draft and lobby the government for favorable changes to the legal and regulatory framework to enhance NGO effectiveness and sustainability.

SERVICE PROVISION: 4.0

Civic organizations have strengthened their ability to provide quality services to their clients. As NGOs become more engaged in rural communities and mahallas (neighborhoods), they have become increasingly responsive to the needs of their communities, and learned to plan their activities strategically to meet the needs of constituents.

Local government acceptance of NGOs as service providers has dramatically improved. Local authorities have begun to realize that community based organizations ultimately strive to improve the lives of citizens, and are increasingly listening to NGOs' analysis of community problems and proposals for com

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munity programs. One example of local government contracting for NGO expertise occurred in the city of Qarshi, where the Hokim (mayor) tasked a women's

NGO to carry out an assessment of gender issues in four key regions of the city.

INFRASTRUCTURE: 4.6

An informal and national network of NGOs emerged during 2001. While this network is not a formal coalition, it has facilitated NGO communications throughout the sector. Additionally, a national network of civil society support centers has emerged. This burgeoning network strives to tackle organizational and developmental issues of civic groups in various regions through the provision of training and other in-demand services.

The number of trainers working with NGOs has increased considerably during the past year, as a result of a large donor driven women's legal education program and the expansion of a network of NGO support centers. The previous shortage of Uzbek language trainers has been alleviated because more international donor supported training of trainer programs are targeting Uzbek speaking communities.

PUBLIC IMAGE: 4.5

Civic organizations have been able to significantly improve their public image by focusing their outreach efforts at the community level.

During 2001, media coverage of the sector continued to expand. Media outlets are no longer hesitant to highlight the activities of community organizations. This is a substantial change from

just three years ago. For example, a partnership between the NGO community and a local television station in the city of Kokand has resulted in the production of numerous public service announcements and talk shows devoted to social causes, as determined by civic groups.